

## Message Text

UNCLASSIFIED

PAGE 01 MANILA 06765 151349Z

43

ACTION XMB-04

INFO OCT-01 EA-09 ISO-00 EB-07 COME-00 TRSE-00 OPIC-06

AID-05 /032 W

----- 034798

R 140916Z MAY 76

FM AMEMBASSY MANILA

TO SECSTATE WASHDC 5040

UNCLAS MANILA 6765

PASS EXIM

E.O. 11652: N/A

TAGS: BPRO, RP

SUBJ: APPLICATION FOR CFF EXTENSION - PRIVATE DEVELOPMENT CORP.  
OF THE PHILIPPINES (PDCP)

REF: STATE 110120

1. THE PACE OF PDCP LOAN ACTIVITY IN 1975 REFLECTED THE CAUTIOUS INVESTOR ATTITUDES IN THE COUNTRY. COMPARED TO 1974, PROJECT LOANS WERE DOWN BY 31 PERCENT, AND TOTAL INVESTMENT ACTIVITY WAS DOWN BY 37 PERCENT, FROM 286 MILLION PESOS TO 180 MILLION PESOS. NEVERTHELESS, INCOME FROM PROJECT LOANS WAS UP BY 35 PERCENT, AND TOTAL EARNINGS REACHED 91 MILLION PESOS, 21 PERCENT OVER 1974. NET EARNINGS OF 16 MILLION PESOS AMOUNTS TO AN INCREASE OF 14 PERCENT OVER 1974. FOR THE FIRST QUARTER OF 1976, GROSS REVENUES AND NET EARNINGS WERE UP BY 13 PERCENT AND 19 PERCENT, RESPECTIVELY, OVER THE CORRESPONDING QUARTER OF 1975.

2. PDCP CONTINUES TO BE THE PREEMINENT PRIVATE INVESTMENT BANK IN THE PHILIPPINES, AND THE MANAGEMENT APPEARS TO BE ABLE AND DYNAMIC. IT HAS SUBSTANTIAL LONG-TERM LOAN PARTICIPATION BY INTERNATIONAL INSTITUTIONS - IBRD, ADB, AND IFC -- AS WELL AS USAID. EVALUATION MISSIONS FROM IBRD AND ADB VISITED PDCP DURING 1975.

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 MANILA 06765 151349Z

EET AN EMBASSY OFFICER HAS DISCUSSED THE VERY LIMITED USE OF THE CFF LINE TO DATE WITH SOME OF THE PDCP OFFICERS. ASIDE FROM GENERAL DIFFICULTIES INVOLVING THE INTERPLAY OF CFF PROCEDURES AND CENTRAL BANK RESTRICTIONS (WITH WHICH EXIM OFFICERS ARE FAMILIAR), THEY THOUGHT THERE SIMPLY HAS NOT BEEN MUCH ACTIVITY IN THE SORTS OF INDUSTRIES FOR WHICH THIS TYPE OF TRANSACTION IS SUITED. THEY FORECAST IMPROVED CONDITIONS IN THOSE INDUSTRIES DURING THE COMING YEAR, AND SPECIFICALLY HAD IN MIND THREE WOOD PRODUCTS PROJECTS FOR WHICH PDCP MIGHT UTILIZE THE CFF LINE.

4. THE EMBASSY SEES NO REASON WHY EXIMBANK SHOULD NOT EXTEND THE PDCP LINE.

SULLIVAN

UNCLASSIFIED

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 14 MAY 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976MANILA06765  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D760188-1033  
**From:** MANILA  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1976/newtext/t19760554/aaaabtxn.tel  
**Line Count:** 75  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION XMB  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** 76 STATE 110120  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** CollinP0  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 22 JUN 2004  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <22 JUN 2004 by wolfsd>; APPROVED <24 JAN 2005 by CollinP0>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
04 MAY 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** APPLICATION FOR CFF EXTENSION - PRIVATE DEVELOPMENT CORP. OF THE PHILIPPINES (PDCP)  
**TAGS:** BPRO, RP  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006